

Application No. 09/587,619

Filed: June 5, 2000

TC Art Unit: 3691

Confirmation No.: 8863

AMENDMENTS TO THE CLAIMS

1. (Currently Amended) A method for managing portfolio risk on a computer system by a trader or investor for trading investment instruments in a real time trading environment to remain within determined risk-of-loss parameters, the method comprising:

storing a plurality of parameters associated with an investment instrument held or to be held in a portfolio or an account on a computer-readable medium, the parameters including an identifier, a market price, a stop-loss price, and a number of shares or contracts held or to be held in the portfolio or the account;

storing an equity value associated with a-the portfolio or the account;

determining a point risk value of the instrument, the point risk value comprising an intermediate value multiplied by the number of shares or contracts, the intermediate value comprising the market price minus the stop-loss price for a long transaction or the market price plus the stop-loss price for a short transaction;

determining a number of shares or contracts held or to be held in the portfolio or the account associated with the point risk value for a selected size risk value, the number determined by multiplying the selected size risk value by the equity value and dividing by the point risk value;

repeating the step of determining a number of shares or contracts held or to be held in the portfolio or the account for a plurality of selected size risk values; and

Application No. 09/587,619
Filed: June 5, 2000
TC Art Unit: 3691
Confirmation No.: 8863

displaying a plurality of risk scenarios corresponding to the plurality of selected size risk values, the displaying step including displaying the number of shares or contracts held or to be held in the portfolio or the account corresponding to each of the plurality of size risk values.

2. (Original) The method of claim 1, further comprising:
determining a market value associated with each of the plurality of risk scenarios and
displaying the market values.
3. (Original) The method of claim 1, further comprising:
storing the plurality of parameters associated with a plurality of investment instruments;
storing a total equity value for the portfolio;
determining for each investment instrument a risk value, the risk value comprising an intermediate value of the market price minus the stop-loss price for a long transaction or the market price plus the stop-loss price for a short transaction, the intermediate value multiplied by the number of shares or contracts associated with each investment instrument;
determining a sum of risk values of the plurality of investment instruments, the sum comprising a planned risk value;
determining the equity value by subtracting the planned risk value from the total equity value for the portfolio; and
displaying the equity value.
4. (Original) The method of claim 1, further comprising:

Application No. 09/587,619
Filed: June 5, 2000
TC Art Unit: 3691
Confirmation No.: 8863

determining a ratio of the planned risk value to the total equity value; and
displaying the ratio.

5. (Original) The method of claim 1, further comprising:
storing a user's buying power value; and
displaying the user's buying power value.
6. (Original) The method of claim 5, further comprising:
determining a plurality of market values, each market value associated with each of the plurality of risk scenarios; and
displaying a plurality of new buying power values, each new buying power value corresponding to the user's buying power minus each of the plurality of market values.
7. (Original) The method of claim 1, further comprising:
storing a commission and a skid associated with the investment; and
in the step of determining the point risk, the intermediate value comprises the market price minus the stop-loss price plus the commission plus the skid for a long transaction, or the intermediate value comprises the market price plus the stop-loss price minus the commission minus the skid for a short transaction.
8. (Original) The method of claim 1, wherein the investment instruments includes stocks, mutual funds, options, futures, futures options, bonds, or mortgages.

Application No. 09/587,619
Filed: June 5, 2000
TC Art Unit: 3691
Confirmation No.: 8863

9. (Previously Presented) The method of claim 1, wherein the computer system comprises a client server computer system.

10. (Currently Amended) A system for managing investment portfolio risk on a computer system by a trader or investor for trading investment instruments in a real time trading environment to remain within determined risk-of-loss parameters, the system comprising:

at least one processor;

at least one memory, the memory containing a plurality of parameters associated with an investment instrument held or to be held in a portfolio or in an account on a computer-readable medium, the parameters including an identifier, a market price, a stop-loss price, a number of shares or contracts held or to be held in the portfolio or the account, and an equity value associated with a-the portfolio or the account; and

a utility executable by the at least one processor and operable to:

determine a point risk value of the instrument, the point risk value comprising an intermediate value multiplied by the number of shares or contracts, the intermediate value comprising the market price minus the stop-loss price for a long transaction or the market price plus the stop-loss price for a short transaction,

determine a number of shares or contracts held or to be held in the portfolio or the account associated with the point risk value for a selected size risk value, the number determined by multiplying the selected size risk value by the equity value and dividing by the point risk value,

Application No. 09/587,619

Filed: June 5, 2000

TC Art Unit: 3691

Confirmation No.: 8863

repeat the step of determining a number of shares or contracts held or to be held in the portfolio or the account for a plurality of selected size risk values, and

display a plurality of risk scenarios corresponding to the plurality of selected size risk values, the displaying step including displaying the number of shares or contracts held or to be held in the portfolio or the account corresponding to each of the plurality of size risk values.

11. (Original) The system of claim 10, wherein the utility is further operable to determine a market value associated with each of the plurality of risk scenarios and display the market values.

12. (Original) The system method of claim 10, wherein further comprising:

the memory further contains the plurality of parameters associated with a plurality of investment instruments and a total equity value for the portfolio; and

the utility is further operable to:

determine for each investment instrument a risk value, the risk value comprising an intermediate value of the market price minus the stop-loss price for a long transaction or the market price plus the stop-loss price for a short transaction, the intermediate value multiplied by the number of shares or contracts associated with each investment instrument,

determine a sum of risk values of the plurality of investment instruments, the sum comprising a planned risk value,

Application No. 09/587,619
Filed: June 5, 2000
TC Art Unit: 3691
Confirmation No.: 8863

determine the equity value by subtracting the planned risk value from the total equity value for the portfolio, and display the equity value.

13. (Original) The system of claim 10, wherein the utility is further operable to determine a ratio of the planned risk value to the total equity value and display the ratio.

14. (Original) The system of claim 10, wherein:
the memory further contains a user's buying power value; and
the utility is further operable to display the user's buying power value.

15. (Original) The system method of claim 14, wherein the utility is further operable to:

determine a plurality of market values, each market value associated with each of the plurality of risk scenarios; and
display a plurality of new buying power values, each new buying power value corresponding to the user's buying power minus each of the plurality of market values.

16. (Original) The system of claim 10, wherein:

the memory contains a commission and a skid associated with the investment; and

the utility is operable to determine the point risk, the intermediate value comprising the market price minus the stop-loss price plus the commission plus the skid for a long transaction, or the intermediate value comprises the market price plus the stop-

Application No. 09/587,619

Filed: June 5, 2000

TC Art Unit: 3691

Confirmation No.: 8863

loss price minus the commission minus the skid for a short transaction.

17. (Original) The system of claim 10, wherein the investment instruments includes stocks, mutual funds, options, futures, futures options, bonds, or mortgages.

18. (Previously Presented) The system of claim 10, wherein the computer system comprises a client server computer system.

19. (Currently Amended) A computer program product for use by a trader or investor for trading investment instruments in a real time trading environment to remain within determined risk-of-loss parameters, including a computer readable medium, said computer readable medium having a computer program stored thereon, said program comprising:

program code for storing the plurality of parameters associated with a plurality of investment instruments held or to be held in a portfolio or an account;

program code for storing a total equity value for the portfolio or the account;

program code for determining for each investment instrument a risk value, the risk value comprising an intermediate value of the market price minus the stop-loss price for a long transaction or the market price plus the stop-loss price for a short transaction, the intermediate value multiplied by the number of shares or contracts associated with each investment instrument held or to be held in the portfolio or the account;

Application No. 09/587,619

Filed: June 5, 2000

TC Art Unit: 3691

Confirmation No.: 8863

program code for determining a sum of risk values of the plurality of investment instruments, the sum comprising a planned risk value;

program code for determining the equity value by subtracting the planned risk value from the total equity value for the portfolio or the account; and

program code for displaying the equity value.

20. (Currently Amended) A system for managing portfolio risk on a computer system by a trader or investor for trading investment instruments in a real time trading environment to remain within determined risk-of-loss parameters, the system comprising:

means for storing the plurality of parameters associated with a plurality of investment instruments held or to be held in a portfolio or an account;

program code for storing a total equity value for the portfolio or the account;

means for determining for each investment instrument a risk value, the risk value comprising an intermediate value of the market price minus the stop-loss price for a long transaction or the market price plus the stop-loss price for a short transaction, the intermediate value multiplied by the number of shares or contracts associated with each investment instrument held or to be held in the portfolio or the account;

means for determining a sum of risk values of the plurality of investment instruments, the sum comprising a planned risk value;

Application No. 09/587,619

Filed: June 5, 2000

TC Art Unit: 3691

Confirmation No.: 8863

means for determining the equity value by subtracting the
planned risk value from the total equity value for the portfolio
or the account; and

means for displaying the equity value.

21. (Currently Amended) A computer data signal embodied in a
carrier wave, said computer data signal including a computer
program for use by a trader or investor for trading investment
instruments in a real time trading environment to remain within
determined risk-of-loss parameters, said computer program
comprising:

program code for storing the plurality of parameters
associated with a plurality of investment instruments to be held
in a portfolio or an account;

program code for storing a total equity value for the
portfolio or the account;

program code for determining for each investment instrument a
risk value, the risk value comprising an intermediate value of the
market price minus the stop-loss price for a long transaction or
the market price plus the stop-loss price for a short transaction,
the intermediate value multiplied by the number of shares or
contracts associated with each investment instrument held or to be
held in the portfolio or the account;

program code for determining a sum of risk values of the
plurality of investment instruments, the sum comprising a planned
risk value;

program code for determining the equity value by subtracting
the planned risk value from the total equity value for the
portfolio or the account; and

-10-

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Application No. 09/587,619

Filed: June 5, 2000

TC Art Unit: 3691

Confirmation No.: 8863

program code for displaying the equity value.

-11-

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